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09/880,170	06/12/2001	Olga Milosavljevic	SCHB-4100	5814

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EXAMINER

OYEBISI, OJO O

ART UNIT	PAPER NUMBER
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3694

MAIL DATE	DELIVERY MODE
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10/31/2007

PAPER

Please find below and/or attached an Office communication concerning this application or proceeding.

The time period for reply, if any, is set in the attached communication.

Office Action Summary

Application No.

09/880,170

Applicant(s)

MILOSAVLJEVIC ET AL.

Examiner

OJO O. OYEBISI

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-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on 17 August 2007.
- 2a) ☐ This action is **FINAL**. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 1-7, 9, 11-22, 34 and 35 is/are pending in the application.
- 4a) Of the above claim(s) _____ is/are withdrawn from consideration.
- 5) ☐ Claim(s) _____ is/are allowed.
- 6) ☒ Claim(s) 1-7, 9, 11-22, and 34-35 is/are rejected.
- 7) ☐ Claim(s) _____ is/are objected to.
- 8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on _____ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.
- Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
- Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some * c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
2. ☐ Certified copies of the priority documents have been received in Application No. _____.
3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).
- * See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

- 1) ☐ Notice of References Cited (PTO-892)
- 2) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)
- 3) ☐ Information Disclosure Statement(s) (PTO/SB/08)
Paper No(s)/Mail Date _____
- 4) ☐ Interview Summary (PTO-413)
Paper No(s)/Mail Date: _____
- 5) ☐ Notice of Informal Patent Application
- 6) ☐ Other: _____

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DETAILED ACTION

In the amendment filed on 08/17/07, the following have occurred: claims 1-7, 9, 11-22, and 34-35 are pending, and claims 1, 7, 12, 16, 17, 20, 21, 34 and 38 have been amended, and claims 39-43 have been added.

Claim Rejections - 35 USC § 103

1. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

The factual inquiries set forth in *Graham v. John Deere Co.*, 383 U.S. 1, 148

USPQ 459 (1966), that are applied for establishing a background for determining obviousness under 35 U.S.C. 103(a) are summarized as follows:

1. Determining the scope and contents of the prior art.
 2. Ascertaining the differences between the prior art and the claims at issue.
 3. Resolving the level of ordinary skill in the pertinent art.
 4. Considering objective evidence present in the application indicating obviousness or nonobviousness.
2. Claims 1-7, 9, 11-22 and 34-35 are rejected under 35 U.S.C. 103(a) as being unpatentable over Corrin (US 2002/0035527 A1) in view of Longo (Tracey Longo. "The First Cut is the Cheapest: Retirement distributions can come from many sources, IRAs, 401(k)s, and so on. Knowing where to start can prolong earnings growth." Financial Planning. New York: Apr 1, 1999. p.g 1).

Re Claim 1: Corrin discloses a system for relating investment account information to an

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investment objective comprising:

- Inputting said income withdrawal goal (paragraph 0028), said estate goal (paragraph 0044), said years in retirement goal (0073, 0186)), and a current asset allocation (0029) and identifying one of said in-retirement goals as a priority goals as a priority goal (0010-0011, 0028-0030)
 - Performing an analysis based on said in-retirement goals and said current asset allocation (paragraph 0010).
 - Forecasting, by using the results of said analysis, said likelihood that said customer assets at retirement meet said priority goal (paragraph 0010, paragraphs 0129-0176)
- Corrin does not explicitly disclose the step of:
- Providing an in-retirement income stream withdrawal strategy, wherein said income stream strategy withdrawal provides tax advantages and wherein said income stream withdrawal provides for a first time period and said income stream withdrawal strategy avoids withdrawal of assets from tax deferred accounts during the first time period; and said income stream- withdrawal strategy providing for withdrawal from one or more tax deferred accounts during a second time period
 - Providing a findings overview report based on said analysis, wherein the findings report includes the in-retirement goals, and the likelihood that the priority goal will be met if the in-retirement income stream withdrawal strategy is followed, and the findings overview report further including an assed drawn down schedule which shows predicted end of year balance for each of the plurality of customer accounts if the in- retirement strategy is followed. Longo discloses a system for a retirement strategy for tax efficient

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withdrawals wherein assets are drawn first from taxable accounts followed, at a later time by withdrawing from tax deferred accounts (See Abstract and entire article). It would have been obvious to a person of ordinary skill in the art at the time of invention to include the teachings of Longo to the disclosure of Corrin so that a person in retirement can extend the life of their assets and achieve the most efficient withdrawal strategy possible. In addition, Corrin discloses a finding overview based on said analysis (0010- 0013), the likelihood that the in-retirement goal will be met (0011 'determines the effectiveness of the investor's current strategy, establishes investment performance expectations, offers investment guidance and monitors and reevaluates their progress). While not explicitly disclosing an asset drawn down schedule that shows a predicted end of year account balance for each of the plurality of different types of customer accounts if the in-retirement income stream withdrawal strategy is followed, Corrin does note that an attainable retirement income goal of 100% projected inflation adjusted ending salary (0030), income provided by current strategy at retirement (0046) and cash flows for IRAs and other outside investments (i.e., different types of customer accounts 0048). While not explicitly disclosing the predicted end of year balance for each account if the withdrawal strategy is followed, this step would have been obvious to a person of ordinary skill in the art. The 100% inflation adjusted retirement goal is inherently based on an estimate of the number of years spent in-retirement. Otherwise there would be no way to estimate how long the balance at retirement would last at this pace. It would have been obvious to a person of ordinary Skill to include this step to Corrin in view of Longo so that users are fully aware of how far their assets can extend

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into retirement (See paragraphs 0095-0096)

Re Claims 2: Corrin in view of Longo discloses the claimed method and Corrin discloses the claimed method supra and further discloses wherein said forecasting is based on outside (paragraph 0279-0282) and inside holdings (paragraph 0029 "current account balance.")

Re Claims 3, 40-41: Corrin in view of Longo discloses the claimed method and Corrin discloses the claimed method supra and further discloses the step of projecting annual snapshot cash flows from said current asset allocation and determining if a gap exists between projected cash flows and said income goal (paragraphs 0137-0138)

Re Claim 4: Corrin in view of Longo discloses the claimed method and Corrin discloses the claimed method supra and further discloses wherein said cash flows comprise dividend and interest sources (0048) and non-fluctuating sources (0086-0093)

Re Claim 5: Corrin in view of Longo discloses the claimed method and Corrin discloses the claimed method supra and further discloses wherein said dividend and interest sources comprise equity dividend, fixed income, and cash payments (0261 and 0280-0283)) and wherein said non-fluctuating sources comprise income property, social security, and pension payments (0086-0093)

Re Claims 6, 42-43: Corrin in view of Longo discloses the claimed method and Corrin discloses the claimed method supra and further discloses the step further comprising providing a current performance planning table, wherein said table allows for assessing approximate current yield and total return information in order to determine which holdings of said assets provide cash flows versus growth required to meet said in-

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retirement goals (0084-0141).

Re Claim 7: Corrin in view of Longo discloses the claimed method and Corrin discloses the claimed method supra and further discloses the step comprising generating a current summary showing a breakdown of said cash flows into said dividend and interest sources (0144-0150), said non-fluctuating sources (0097-0102), total cash flow and said income goal (0137-0138).

Re Claim 9: Corrin in view of Longo discloses the claimed method supra and while not explicitly disclosing the step wherein said withdrawal strategy further comprises designating when and how much to withdraw from taxable, 401 K, traditional IRA and Roth IRA accounts, this step would have been obvious to anyone of ordinary skill in the art at the time of invention as it was notoriously well known. For example, there are tax related penalties related to the early withdrawal of funds from a Roth IRA account. If a user withdraws funds before the age of 59 ½ years there is a steep tax placed on the amount of withdrawal. Therefore, a prudent withdrawal strategy would be to refrain from withdrawing from this account until the appropriate time, and furthermore if it was vital for funds to be withdrawn, the strategy would further call for an amount representing the absolute minimum be withdrawn so that the remainder of the money in the account can continue to accumulate.

Re Claim 11: Corrin in view of Longo discloses the claimed method supra and while the references do not explicitly disclose the step comprising determining required minimum distribution income streams based on total value of tax deferred assets, this step would have been obvious to anyone of ordinary skill in the art, as such withdrawals were

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required by law. For example, in a traditional IRA, which is tax deferred, participants are required to make withdrawals at the age of 70 $\frac{1}{2}$, so that the earnings can be taxed out. The minimum withdrawal is a rate based on life expectancy and therefore the amount of withdrawal would necessarily depend on the total value of the assets. Since these withdrawals are mandatory, it would therefore further be obvious to factor these into the withdrawal strategy, or else said strategy will ultimately become inaccurate.

Re Claim 12: Corrin in view of Longo discloses the claimed method supra and Corrin further discloses generating a report showing annual tax-deferred account withdrawals and year-end tax deferred account balances (0216-0220).

Re Claim 13: Corrin in view of Longo discloses the claimed method and Corrin discloses the claimed method supra and further discloses providing financial (0211; increase contribution) and non-financial (0228 "increase working years") alternatives in order to attempt to increase said likelihood of meeting retirement goals.

Re Claim 14: Corrin in view of Longo discloses the claimed method and Corrin discloses the claimed method supra and further discloses wherein said non-financial alternatives increase said likelihood by requiring a relaxing of at least one of said in-retirement goals (0028). In increasing the working years before retirement, the user is essentially decreasing the total number of years the user intends to spend in retirement.

Re Claim 15: Corrin in view of Longo discloses the claimed method and Corrin discloses the claimed method supra and further discloses wherein said financial alternatives attempt to increase said likelihood by altering said asset allocation and thereby assuming a better diversified portfolio (0259-0261).

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Re Claim 16: Corrin in view of Longo discloses the claimed method and Corrin discloses the claimed method supra and further discloses generating a report showing said in- retirement goals and said likelihood versus said modified in-retirement goals, said modified in-retirement goals comprising said at least one of said relaxed in-retirement goals, and showing said subsequent possible increased likelihood (0263-0278).

Re Claim 17: Corrin in view of Longo discloses the claimed method and Corrin discloses the claimed method supra and further discloses generating a report showing said in- retirement goals and said likelihood versus said altered asset allocation, and sowing said subsequent possible increased likelihood (0213-0216 and 0263-0278)

Re Claim 18: Corrin in view of Longo discloses the claimed method and Corrin discloses the claimed method supra and further discloses wherein asset allocation preferences are incorporated (0260-0262).

Re Claim 19: Corrin in view of Longo discloses the claimed method and Corrin discloses the claimed method supra and further discloses providing action plans for attempting to increase said likelihood, said action plans comprising means for conveying whether to buy or sell said assets (0259-0262).

Re Claim 20: Corrin in view of Longo discloses the claimed method and Corrin discloses the claimed method supra and further discloses wherein each asset class holding are separated from each other and small company holdings are separated from large, international and fixed income company holdings (0261).

Re Claims 21: Corrin discloses a system for relating investment account information to

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an investment objective comprising:

- Inputting said withdrawal goal (paragraph 0072-0073), said estate goal (paragraph 0044), said years in retirement goal (0073, 0186)), and a current asset allocation (0029)
- Performing an analysis based on said goals and said current asset allocation (paragraph 0010)
- Forecasting, by using the results of said analysis, said likelihood that said assets at retirement meet said client defined priority goal in retirement goals (paragraph 0010, paragraphs 0129-0176)
- Providing an ability to perform alternative analysis by modifying said in- retirement goals (0189-0258)

Corrin does not explicitly disclose the step of:

- Providing an in-retirement income stream withdrawal strategy, wherein said income stream strategy provides tax advantages and wherein said income stream withdrawal provides for a first time period and said income stream withdrawal strategy avoids withdrawal of assets from tax deferred accounts during the first time period; and said income stream withdrawal strategy providing for withdrawal from one or more tax deferred accounts during a second time period
- Providing a findings overview report based on said analysis, wherein the findings report includes the in-retirement goals, and the likelihood that the priority goal will be met if the in-retirement income stream withdrawal strategy is followed, and the findings overview report further including an assed drawn down schedule which shows predicted end of year balance for each of the plurality of customer accounts if the in- retirement strategy is followed Longo discloses a system for a retirement strategy for tax efficient withdrawals wherein assets are drawn first from taxable accounts followed, at a later

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time by withdrawing from tax deferred accounts (See Abstract and entire article). It would have been obvious to a person of ordinary skill in the art at the time of invention to include the teachings of Longo to the disclosure of Corrin so that a person in retirement can extend the life of their assets and achieve the most efficient withdrawal strategy possible. In addition, Corrin discloses a finding overview based on said analysis (0010- 0013), the likelihood that the in-retirement goal will be met (0011 'determines the effectiveness of the investor's current strategy, establishes investment performance expectations, offers investment guidance and monitors and reevaluates their progress). While not explicitly disclosing an asset drawn down schedule that shows a predicted end of year account balance for each of the plurality of different types of customer accounts if the in-retirement income stream withdrawal strategy is followed, Corrin does note that an attainable retirement income goal of 100% projected inflation adjusted ending salary (0030), income provided by current strategy at retirement (0046) and cash flows for IRAs and other outside investments (i.e different types of customer accounts 0048). While not explicitly disclosing the predicted end of year balance for each account if the withdrawal strategy is followed, this step would have been obvious to a person of ordinary skill in the art. The 100% inflation adjusted retirement goal is inherently based on an estimate of the number of years spent in-retirement. Otherwise there would be no way to estimate how long the balance at retirement would last at this pace. It would have been obvious to a person of ordinary skill to include this step to Corrin in view of Longo so that users are fully aware of how far their assets can extend into retirement (See paragraphs 0095-0096)

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Re Claim 22: Corrin in view of Longo discloses the claimed method supra and Corrin further discloses wherein said forecasting is based on outside (paragraph 0279-0282) and inside holdings (paragraph 0029 "current account balance.")

Re Claims 34 and 35: Further system claims would have been obvious in order to implement previously rejected method claims 21 and 22 respectively and are therefore rejected using the same art and rationale.

Re Claims 36-38: Corrin further discloses a performance planning report which identifies each of the assets held in the customer accounts and provides a projected annual cash flow (0046, 0048), an approximate current yield (0264), a historical total return (0029, 0037 'expected growth), and an approximated current value for each asset (0087), to assist the customer in assessing their assets on an income versus growth basis.

Re claim 39. Corrin further discloses the method further comprising acquiring an asset's current price through an existing, internal data feed updated nightly ((paragraph 0072-0073).

Response to Arguments

Applicant's arguments filed 08/17/2007 have been fully considered but they are not persuasive. Applicant argues in substance that neither Corrin nor Longo teaches overview report further including an asset drawn down schedule. Contrary to applicant's assertion, Longo discloses a system for a retirement strategy for tax efficient withdrawals wherein assets are drawn first from taxable accounts followed, at a later time by withdrawing from tax deferred accounts (See Abstract and entire article), and

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although Corrin fails to explicitly disclose an asset drawn down schedule that shows a predicted end of year account balance for each of the plurality of different types of customer accounts, Corrin does note that an attainable retirement income goal of 100% projected inflation adjusted ending salary (0030), income provided by current strategy at retirement (0046) and cash flows for IRAs and other outside investments (i.e different types of customer accounts 0048). Thus It would have been obvious to a person' of ordinary skill in the art at the time of invention to include the teachings of Longo to the disclosure of Corrin so that a person in retirement can extend the life of their assets and achieve the most efficient withdrawal strategy possible.

Applicant further argues that the motivation to combine the teachings of Corrin and those of Longo were improperly taken from applicant's own specification, and thus obviousness has not been established. The examiner disagrees with this assertion, and contends that it is true that references cannot be arbitrarily combined and that there must be some reason why one skilled in the art would be motivated to make the proposed combination of primary and secondary references. In re Nomiya, 184 USPQ 607 (CCPA 1975). However, there is no requirement that a motivation to make the modification be expressly articulated. The test for combining references is what the combination of disclosures taken as a whole would suggest to one of ordinary skill in the art. In re McLaughlin, 170 USPQ 209 (CCPA 1971). references are evaluated by what they suggest to one versed in the art, rather than by their specific disclosures. In re Bozek, 163 USPQ 545 (CCPA) 1969.

Conclusion

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Any inquiry concerning this communication or earlier communications from the examiner should be directed to OJO O. OYEBISI whose telephone number is (571) 272-8298. The examiner can normally be reached on 8:30A.M-5:30P.M.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, JAMES TRAMMELL can be reached on (571)272-6712. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free). If you would like assistance from a USPTO Customer Service Representative or access to the automated information system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000.


JELLA COLBERT
PRIMARY EXAMINER